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*To ensure access to high-quality,
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community and university partners.*



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November 12, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL TO EXTEND THE GRANT PERIOD FOR A GRANT FROM
BLUE SHIELD OF CALIFORNIA FOUNDATION, AMEND AN AGREEMENT
WITH THE NATIONAL HEALTH FOUNDATION AND DELEGATE
AUTHORITY TO ACCEPT POTENTIAL GRANT AWARD FROM BLUE
SHIELD OF CALIFORNIA FOUNDATION
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Delegate authority to: 1) extend the period of a \$500,000 grant award from Blue Shield of California Foundation; 2) amend the Agreement with National Health Foundation for fiscal intermediary and project management services related to the grant to enable completion of the eConsult Specialty Guideline Development Project; 3) accept a potential grant award from Blue Shield of California Foundation; and 4) subject to award of the potential grant from Blue Shield of California Foundation, further amend the Agreement with National Health Foundation to increase the maximum obligation to provide fiscal intermediary and project management services for the potential additional grant award.

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate authority to the Director of Health Services (Director), or his designee, to execute applicable documents with Blue Shield of California Foundation (BSCF), to extend the period of the \$500,000 grant award, with no change to the grant amount, through September 30, 2014, with an option to further extend the grant period by up to six months, to coincide with the

completion of the eConsult Specialty Guideline Development (eConsult) Project that is funded from the grant.

2. Delegate authority to the Director, or his designee, to amend Agreement H-705379 with the National Health Foundation (NHF) to extend the term of the Agreement for one year through December 7, 2014 for the continuing provision of fiscal intermediary and project management services for the grant-funded e-Consult Project, with no change to the maximum obligation of the Agreement.

3. Delegate authority to the Director, or his designee, to execute applicable documents with BSCF for a potential grant award of up to \$215,000 for a period of twelve months, on condition that those documents contain provisions that are substantially similar to those in the previously executed grant award agreement from BSCF, to help support planning activities for the successor to the Healthy Way LA (HWLA) Unmatched Program, subject to review and approval by County Counsel and with notice to the Board and Chief Executive Office (CEO).

4. Delegate authority to the Director, or his designee, to amend Agreement H-705379 with NHF, subject to award of the potential grant from BSCF, to add a scope of work for provision of fiscal intermediary and project management services related to the planning activities for the successor to the HWLA Unmatched Program and increase the maximum obligation of the Agreement by an amount not to exceed the grant award amount specifically for said services, subject to review and approval by County Counsel and with notice to the Board and Chief Executive Office (CEO).

5. Delegate authority to the Director, or his designee, to execute future amendments to the NHF Agreement to: a) revise or incorporate provisions consistent with all applicable State and/or federal law and regulations, County Ordinances and Board policy; b) make adjustments in project tasks and deliverables, program budget categories, and other project scope adjustments, as needed; and c) extend the term of the Agreement for a period not to exceed six months with no change to the maximum obligation in the event additional time is needed to complete the projects and close out grant reporting.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

BSCF Grant for eConsult

Approval of the first two recommendations will authorize the Director, or his designee, to execute grant related documents with BSCF to extend the grant period with no change in the grant amount of \$500,000; as well as execute a no cost amendment to the NHF Agreement to extend the term to ensure there is sufficient time to complete the eConsult Project in the Department of Health Services (DHS) and complete BSCF's grant reporting requirements.

The Board initially approved acceptance of a \$500,000 grant from BSCF on March 27, 2013, for a one year period to fund facilitation, development, and implementation of clinical guidelines and co-management strategies (clinical content) for the innovative web-based electronic referral and consultation management system known as eConsult. At that time, the Board also delegated

authority to DHS to enter into the NHF Agreement to act as the fiscal intermediary and project manager for the grant-funded project to ensure proper administration of the grant funds during the life of the project. Additional authority was delegated to DHS to amend both Agreements to extend the term for up to six months.

The NHF Agreement currently expires on December 7, 2013. DHS previously notified the Board in a memo dated October 1, 2013 that the BSCF grant period ended September 31, 2013, and that BSCF indicated that its Board of Directors was willing to give DHS additional time to complete this critical project, but would need to have the additional time period commemorated in writing with DHS. This action is beyond the current authority the Board delegated to DHS and therefore requires approval by the Board.

Key to the development and deployment of eConsult has been the convening of clinical champions who are primary care and specialty care providers in the DHS and Community Partner (CP) system to develop essential content and the infrastructure for the eConsult system. This includes referral and discharge guidelines that are consistent with community resources and practices. Pursuant to its Agreement, NHF has been, and continues to be, responsible for convening the champions and paying them for their participation. The BSCF grant enabled DHS to have the resources needed to support physicians and consultants to come together and develop the clinical guidelines needed to manage referrals; including the development of a single set of medical protocols for a series of disease conditions so that patients can be more efficiently given specialty care. A combination of project efficiencies and temporal differences in work group development of referral guidelines has translated into the grant funding not being fully expended during the initial project timeframe. A project time extension will allow remaining BSCF grant funds to be expended through workgroups focusing on additional DHS specialty services becoming eConsult ready. BSCF is satisfied with the currently reported project outcomes and is fully supportive of a further extension of the grant period to allow DHS to continue implementation of this key initiative.

Potential BSCF Grant

DHS recently applied for a \$215,000 grant from BSCF for planning activities related to the successor to the current HWLA Unmatched Program. If awarded the grant, DHS would use funding for NHF to coordinate planning workgroups, provide project management for the anticipated eligibility and enrollment system and facilitate meetings with external stakeholders and interested parties. The scope of services that NHF would provide would be similar to the services that have been provided under the current Agreement. BSCF is expected to announce grant awards during the month of December 2013, with an expected grant start date of January 1, 2014. The third and fourth recommendations will enable DHS to accept a potential grant award from BSCF and amend the NHF Agreement in a timely manner without a subsequent delay of returning to the Board for subsequent approvals.

The fifth recommendation will provide DHS with the flexibility to make necessary changes to the NHF Agreement in a timely fashion and allow for amendments to extend the term of the Agreement in order to complete the projects and close out the grants.

Implementation of Strategic Plan Goals

The recommended actions support Goal 1, Operational Effectiveness; Goal 2, Fiscal Sustainability; and Goal 3, Integrated Services Delivery of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

There is no change to the BSCF grant award of \$500,000 for the eConsult project. The potential additional grant award will be a maximum of \$215,000.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

BSCF Grant for eConsult

The one year grant period identified in the initial BSCF grant authorization letter sent to DHS was January 1, 2012 through December 31, 2013. Subsequent to Board approval of the grant acceptance on March 27, 2012, that identified the aforementioned grant period, BSCF reissued the grant authorization letter and grant Agreement for the one year period April 1, 2012, through March 31, 2013 in order to ensure that DHS has sufficient time to complete the innovative eConsult project.

The NHF Agreement commenced on June 8, 2012 for one year, and under delegated the Agreement was extended to December 7, 2013. Since inception of the NHF Agreement, the physicians and consultants have made significant progress in developing the clinical guidelines necessary for eConsult implementation. County Counsel will review and approve the NHF extension amendment prior to execution.

Potential BSCF Grant

County Counsel will review and approve the grant agreement from BSCF as well as the NHF extension amendment prior to execution.

CONTRACTING PROCESS

The existing Agreement with NHF will be amended to complete a current project and, subject to award of a potential new grant, will be subsequently amended to include similar services for the new grant.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will enable DHS to take appropriate actions to 1) extend the grant period of an existing BSCF grant and an existing Agreement with no change to the grant amount and maximum Agreement obligation to enable completion of the eConsult Project; and 2) accept a potential new grant and further amend the NHF Agreement in a timely manner to allow DHS to obtain fiscal intermediary and project management services for the new grant project.

The Honorable Board of Supervisors

11/12/2013

Page 5

Respectfully submitted,

A handwritten signature in black ink, reading "Mitchell Katz". The signature is written in a cursive, flowing style.

Mitchell H. Katz, M.D.

Director

MHK:kh

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors